

Before the  
POSTAL REGULATORY COMMISSION  
WASHINGTON, DC 20268-0001

Competitive Product Prices  
Global Expedited Package Services 3 (MC2010-28)  
Negotiated Service Agreement

Docket No. CP2012-35

PUBLIC REPRESENTATIVE COMMENTS

(June 29, 2012)

INTRODUCTION AND BACKGROUND

The Public Representative hereby provides comments pursuant to Order No. 1376.<sup>1</sup> In that Order, the Commission established the above-referenced docket to receive comments from interested parties on the Postal Service's notice of an additional Global Expedited Package Services (GEPS) 3 contract. The Postal Service asserts that the instant contract is functionally equivalent to the baseline contract filed in Docket No. CP2010-71, and consequently, should be added to the GEPS 3 product grouping.

GEPS 3 contracts provide incentives for small and medium-sized businesses that use Express Mail International (EMI) and/or Priority Mail International (PMI) to send mailpieces to foreign addressees. In general, prices offered under these contracts differ based on the volume or postage commitments made by the customers.

COMMENTS

The Public Representative has reviewed the Postal Service's Notice, the attachments thereto, and the supporting financial model filed under seal. Based upon

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<sup>1</sup> Notice and Order Concerning an Additional Global Expedited Package Services 3 Contract, June 22, 2012 (Order No. 1376).

that review, the Public Representative concludes that the instant contract is functionally equivalent to the baseline contract, and its pricing comports with relevant provisions of title 39. The Notice outlines terms of the instant contract that vary somewhat from the underlying GEPS 3 NSA template. The terms of the instant contract do not appear to be significant enough to make this contract not functionally equivalent with the baseline GEPS 3 contract. In addition, the instant contract's pricing reflects appropriate increases in costs, yet still comports with the template in Governors' Decision 08-7, which established the GEPS product.

## CONCLUSION

The Public Representative believes that the pricing in the instant GEPS 3 contract comports with relevant provisions of title 39. This contract appears able to generate sufficient revenue to cover its attributable costs. In addition, this contract employs pricing incentives based upon volumes and other provisions favorable to the Postal Service, the NSA customer, and the public. Therefore, the Public Representative recommends that the Commission adds the instant contract to the GEPS 3 product grouping.

The Public Representative respectfully submits the preceding Comments for the Commission's consideration.

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